

**STATE OF CALIFORNIA  
BUSINESS, TRANSPORTATION AND HOUSING AGENCY  
DEPARTMENT OF BUSINESS OVERSIGHT**

TO: Robert E. Zuckerman  
Continental Communities, LLC  
CLSF Management, LLC  
Continental Life Settlement Fund, II, LLC  
23293 Ventura Blvd.  
Woodland Hills, CA 91364

**DESIST AND REFRAIN ORDER**

**(For violations of section 25401 of the Corporations Code)**

The Commissioner of Business Oversight ("Commissioner") finds that:

1. At all relevant times herein, Continental Communities, LLC, ("Continental"), a California limited liability company formed on or about September 26, 2005, was located at 23293 Ventura Blvd., Woodland Hills, California 91364.
2. At all relevant times herein, CLSF Management, LLC, ("Management"), a California limited liability company formed on or about January 22, 2009, was located at 23293 Ventura Blvd., Woodland Hills, California 91364.
3. At all relevant times herein, Continental Life Settlement Fund, II, LLC, ("CLSFII"), a California limited liability company formed on or about February 11, was located at 23293 Ventura Blvd., Woodland Hills, California 91364.
4. At all relevant times, Robert E. Zuckerman, ("Zuckerman"), a natural person, was a resident of California. Zuckerman was the managing member of Continental Communities, CLSF, and CLSFII. Zuckerman's last known business address is 23293 Ventura Blvd., Woodland Hills, California, 91364.
5. Beginning in or about February, 2009, and continuing thereafter, Zuckerman, Continental, Management, and CLSFII offered and sold investments to at least two California investors, raising at least \$600,000 by promising high and quick returns.
6. In CLSFII's undated Executive Summary, Continental described its plan to sell a fifty percent

(50%) interest in CLSFII, divided between investors, who would become members of CLSFII. The proceeds from the offering were to be used to originate life insurance policies, possibly loan funds to the insureds for premium payments, and, once the non-contestability period expired (ordinarily two years), acquire the policies and sell them into the life settlement market.

7. At all relevant times, the membership interests offered and sold by Zuckerman, Continental, Management, and CLSFII were securities, as defined by Corporations Code section 25019.

8. In connection with the offer and sale of these securities, Zuckerman, Continental, Management, and CLSFII made, or caused to be made, misrepresentations of material fact or omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.

9. Zuckerman, Continental, Management, and CLSFII made the following specific promises in its offering documents and operating agreement:

- a. Returns of between 30% and 35% per annum;
- b. That the sole purpose of the company would be the financing of life insurance premiums, the acquisition of the policies, and the sale of the policies;
- c. That the company is and will remain solvent;
- d. That the company is adequately capitalized and will remain adequately capitalized;
- e. That the company will not commingle funds.

10. The Commissioner is informed and believes that the investments did not produce returns, that invested capital was not used as promised, that the company did not remain solvent, that it did not remain adequately capitalized and that funds were commingled.

Based on the foregoing findings, the Commissioner is of the opinion that the securities offered and sold by Zuckerman, Continental, Management, and CLSFII were offered and sold in this state by means of written or oral communications which included untrue statements of material fact or omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, in violation of section 25401 of the Corporate Securities Law of 1968.

1 Pursuant to Section 25532 of the Corporate Securities Law of 1968, Robert E. Zuckerman,  
2 Continental Communities, LLC, CLSF Management, LLC and Continental Life Settlement Fund II,  
3 LLC, are hereby ordered to desist and refrain from offering or selling or buying or offering to buy  
4 any security in the State of California, including but not limited to limited partnership interests, by  
5 means of any written or oral communication which includes an untrue statement of a material fact or  
6 omits to state a material fact necessary in order to make the statements made, in the light of the  
7 circumstances under which they were made, not misleading.

8 This Order is necessary, in the public interest, for the protection of investors and consistent  
9 with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

10 Dated: October 10, 2016  
11 Sacramento, California

JAN LYNN OWEN  
Commissioner of Business Oversight

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14 By \_\_\_\_\_  
15 MARY ANN SMITH  
16 Deputy Commissioner  
17 Enforcement Division  
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